Appl. No. 09/781,755

In the Claims:

Please amend the claims as follows.

1. (Amended) A system for verifying the purchase of a retail item by a customer comprising:

a label associated with the retail item, said label lacking a postpurchase machine-readable indicia;
a point of sale encoding device, said encoding device providing a
machine-readable post-purchase indicia associated with the label
during purchase by the customer; and
a detecting device for analyzing the label to determine whether the
post-purchase machine-readable indicia is present.

14. (Amended) A method for verifying the purchase of a retail item by a customer comprising:

providing a label associated with the retail item, said label lacking a machine-readable post-purchase indicia; encoding a machine-readable post-purchase indicia associated with the label by a point of sale encoding device when the item is purchased by the customer; and analyzing said label with a detecting device to determine whether the machine-readable post-purchase indicia is present.

Please add the following new claims.

- 16. The method of claim 14 wherein the encoding of the post-purchase indicia produces an invisible post-purchase indicia.
- 17. The system of claim 1 wherein said encoding device provides the machine readable indicia when the label is scanned during purchase.
- 18. The system of claim 14 wherein the encoding is performed when the label is scanned during purchase.
- 19. The system of claim 1 wherein the post-purchase indicia is removable after the retail item is exchanged or refunded.
- 20. The method of claim 14 wherein the post-purchase indicia is removable after the retail item is exchanged or refunded.